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**BROOKLYN DOCTOR PLEADS GUILTY TO RECEIVING
KICKBACKS FOR REFERRALS OF MEDICARE PATIENTS**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, PASQUALE D'AMURO, the Assistant Director in Charge of the New York Field Office of the FBI, and BRIAN SMITH, the Special Agent in Charge of the Office of Investigations in Region 2 of the Department of Health and Human Services ("HHS"), announced that DR. ANDRE B. CELESTIN pled guilty yesterday in Manhattan federal court before United States District Judge ROBERT W. SWEET to receiving illegal kickbacks for his referrals of Medicare patients to another doctor.

On May 15, 2003, CELESTIN was charged in a one-count Indictment which alleged that from about 1997 through February

27, 2003, CELESTIN, a general surgeon practicing in Brooklyn, steered numerous Medicare patients to another doctor, a gastroenterologist, in return for cash payments from that doctor in violation of the Medicare anti-kickback statute.

The anti-kickback statute prohibits a doctor from soliciting or receiving payment of any kind in return for referring a patient to another person for medical services for which payment may be made under the Medicare program. Medicare is a federal medical insurance program funded by federal taxes that pays for health care services for elderly and disabled persons in the United States. The Medicare claims submitted for reimbursement in this case were processed in a facility located in Yorktown Heights in Westchester County, New York.

According to a criminal Complaint filed earlier in the case, on July 18, 2001, agents from the FBI and the Department of Health and Human Services directed the gastroenterologist, who was then acting as a cooperating witness, to meet with CELESTIN to make a cash payment to CELESTIN for patient referrals that CELESTIN had previously made to the cooperating witness.

According to the cooperating witness, the cooperating witness and CELESTIN had agreed to a financial arrangement whereby CELESTIN would refer patients to the cooperating witness for gastroenterology procedures, such as colonoscopies and endoscopies, and in exchange the cooperating witness would kick back to CELESTIN between 20% and 25% of the amount the

cooperating witness received from the referred patient's insurance company.

According to the Complaint, CELESTIN would periodically send a facsimile to the cooperating witness listing the patients referred to the cooperating witness so that the cooperating witness could calculate the total kickback that was due. The cooperating witness would then make cash payments to CELESTIN, generally in person at CELESTIN's home. The Complaint states that the cooperating witness previously pled guilty to submitting fraudulent claims to Medicare and paying illegal kickbacks to doctors for patient referrals.

According to the Complaint, at a July 18, 2001, videotaped meeting, the cooperating witness and CELESTIN discussed the kickback amounts that were owed. After the cooperating witness indicated that he did not remember the exact amount, CELESTIN told the cooperating witness to just "give me something." The cooperating witness handed CELESTIN \$500 in cash and stated that the amount "should clear the account." After receiving the kickback payment, CELESTIN told the cooperating witness that "hopefully, I will do something this week" and "I'll find a way to get you some patients this week."

CELESTIN is scheduled to be sentenced by Judge SWEET on April 26, 2004. CELESTIN faces a maximum sentence of 5 years' imprisonment and a maximum fine of \$250,000.

Mr. KELLEY praised the efforts of the FBI and the Department of Health and Human Services' Office of Investigations for their work in this case.

Assistant United States Attorney BRET R. WILLIAMS is in charge of the prosecution.

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